Morgan Stanley | RESEARCH

UPDATE

October 8, 2026 11:46 AM GMT

E Ink Holdings Inc. | Asia Pacific

September Sales +5% MoM/ +14% YoY

In this report, we focus on E Ink's monthly sales, which we believe could be a catalyst for its share price.

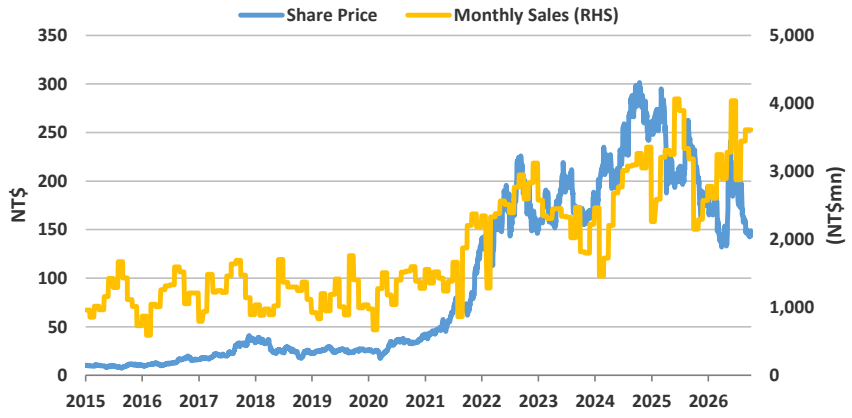
Details:

- September sales were NT$3,613mn (+5% MoM/+14% YoY).
- 3Q26 sales came in at NT$9,936mn (-3% QoQ/-5% YoY), in line with our estimate at NT$9,985mn (-2% QoQ/-4% YoY) and the consensus at NT $9,774mn (-4% QoQ/-6% YoY).

Our view:

- E Ink's monthly sales run rate will need to stay at the September level through year end to achieve its full-year revenue guidance of up 10-15% YoY for 2026. This implies its 4Q26 revenue will be up by 9% QoQ, which still looks within reach, despite the softer seasonality
- While the worst seems to be behind us and valuation is at a trough level of 12x 2027e P/E, we see no strong catalysts in the near term, despite our long-term positive view on e-paper demand across various applications. Stay EW.

Exhibit 1: E Ink's monthly sales vs. its share price since 2015



Note: Past performance is no guarantee of future results. Results shown do not include transaction costs. Source: Company data, TEJ, Morgan Stanley Research.

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E Ink Holdings Inc. (8069.TWO, 8069 TT)

Greater China Technology Hardware | Taiwan

Stock Rating	**Equal-weight**
Industry View	**In-Line**
Price target	NT$150.00
Up/downside to price target (%)	4
Shr price, close (Oct 8, 2026)	NT$144.00
52-Week Range	NT$251.00-135.00
Sh out, dil, curr (mn)	1,150
Mkt cap, curr (mn)	NT$165,624
EV, curr (mn)	NT$171,181
Avg daily trading value (mn)	NT$1,344

Fiscal Year Ending	12/25	12/26e	12/27e	12/28e
EPS (NT$)**	9.14	11.57	12.57	14.77
Prior EPS (NT$)**	-	-	-	-
EPS (NT$)§	10.09	11.36	13.40	14.95
Revenue, net (NT$ mn)	36,116	40,294	46,095	53,387
EBITDA (NT$ mn)	13,458	16,276	18,570	21,698
ModelWare net inc (NT $ mn)	10,515	13,307	14,457	16,987
P/E	21.7	12.4	11.5	9.7
P/BV	3.3	2.2	2.0	1.9
RNOA (%)	13.8	14.4	16.5	19.4
ROE (%)	18.2	19.0	18.9	20.7
EV/EBITDA	17.5	10.2	8.6	7.1
Div yld (%)	3.0	5.2	5.7	6.7
FCF yld ratio (%)**	4.2	7.6	8.2	9.6
Leverage (EOP) (%)	2.1	(5.7)	(11.2)	(17.4)

Unless otherwise noted, all metrics are based on Morgan Stanley ModelWare framework
§ = Consensus data is provided by Refinitiv Estimates
** = Based on consensus methodology
e = Morgan Stanley Research estimates

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Valuation Methodology and Risks

E Ink Holdings Inc. (8069.TWO)

Base case, 12x 2027e P/E. We believe this valuation methodology best captures E Ink's earnings growth momentum. We view our target multiple of 12x as fair, considering our estimated 17% earnings CAGR for 2025-28. The implied PEG of 0.7x is largely in line with its typical level in 2022-25, when the stock was trading at an average P/E of 22x one-year forward consensus EPS with a 37% earnings CAGR.

Risks to Upside

- Firmer-than-expected ESL orders
- Stronger demand for e-readers and e-notes
- Better macro conditions
- Milder competition
- Brisker inventory digestion

Risks to Downside

- Softer-than-expected ESL orders
- Slower demand for e-readers and e-notes
- Macro headwinds
- Intensified competition
- More protracted inventory digestion

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(as of September 30, 2026)
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	Coverage Universe		Investment Banking Clients (IBC)			Other Material Investment Services Clients (MISC)	
Stock Rating Category	Count	% of Total	Count	% of Total IBC	% of Rating Category	Count	% of Total Other MISC
Overweight/Buy	1599	43%	455	48%	28%	783	44%
Equal-weight/Hold	1563	42%	394	42%	25%	763	43%
Not-Rated/Hold	2	0%	1	0%	50%	1	0%
Underweight/Sell	570	15%	96	10%	17%	227	13%
Total	3,734		946			1774	

Data include common stock and ADRs currently assigned ratings. Investment Banking Clients are companies from whom Morgan Stanley received investment banking compensation in the last 12 months. Due to rounding off of decimals, the percentages provided in the "% of total" column may not add up to exactly 100 percent.

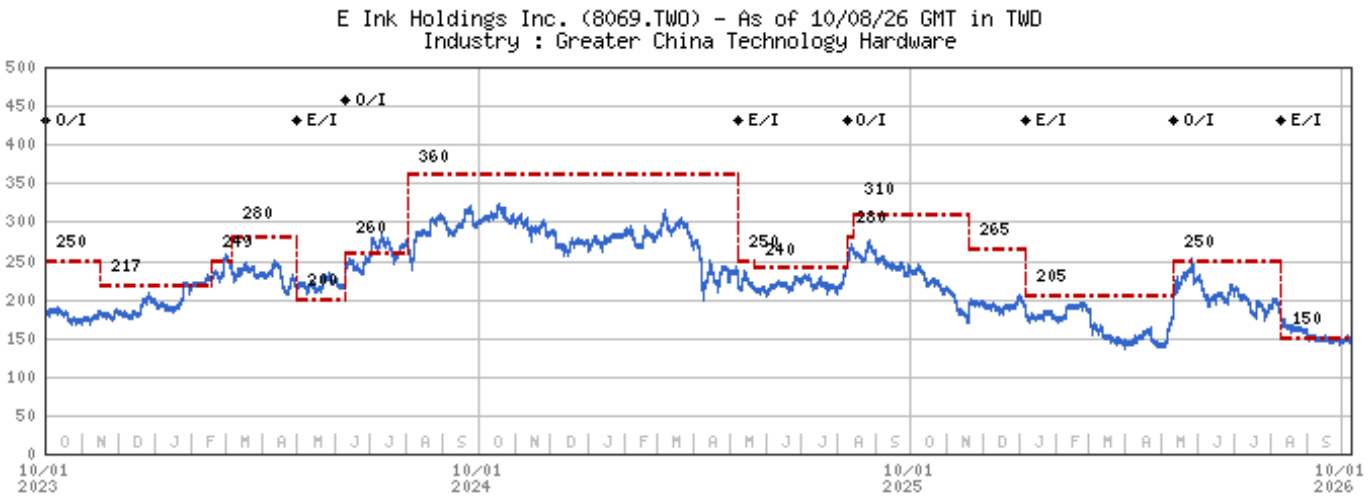
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Stock Rating History: 10/1/21 : NA/I; 6/23/22 : O/I; 11/15/22 : E/I; 5/17/23 : O/I; 4/30/24 : E/I; 6/10/24 : O/I; 5/8/25 : E/I; 8/8/25 : O/I; 1/7/26 : E/I; 5/11/26 : O/I; 8/10/26 : E/I

Price Target History: 6/23/22 : 275; 8/17/22 : 280; 11/15/22 : 200; 3/9/23 : 185; 5/17/23 : 250; 11/16/23 : 217; 2/19/24 : 249; 3/7/24 : 280; 4/30/24 : 200; 6/10/24 : 260; 8/2/24 : 360; 5/8/25 : 250; 5/22/25 : 240; 8/8/25 : 280; 8/14/25 : 310; 11/19/25 : 265; 1/7/26 : 205; 5/11/26 : 250; 8/10/26 : 150

Source: Morgan Stanley Research Date Format : MM/DD/YY Price Target No Price Target Assigned (NA)
Stock Price (Not Covered by Current Analyst) Stock Price (Covered by Current Analyst)
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INDUSTRY COVERAGE: Greater China Technology Hardware

COMPANY (TICKER)	RATING (AS OF)	PRICE* (10/08/2026)
Andy Meng, CFA		
AAC Technologies Holdings (2018.HK)	O (01/29/2024)	HK$37.24
Accelink Technologies Co. Ltd. (002281.SZ)	U (05/12/2022)	Rmb152.01
BYD Electronics (0285.HK)	O (04/28/2023)	HK$22.14
China TransInfo Technology Co Ltd (002373.SZ)	E (07/18/2023)	Rmb7.18
Dahua Technology Co. Ltd. (002236.SZ)	E (12/12/2024)	Rmb15.29
Eoptolink Technology Inc Ltd (300502.SZ)	O (02/27/2026)	Rmb378.50
Genius Electronic Optical Co. Ltd. (3406.TW)	U (09/10/2026)	NT$1,060.00
GoerTek Inc (002241.SZ)	E (08/14/2026)	Rmb21.70
Gosuncn Technology Group Co Ltd (300098.SZ)	U (11/07/2022)	Rmb4.10
HIKVision Digital Technology (002415.SZ)	E (12/12/2024)	Rmb33.00
Largan Precision (3008.TW)	E (09/10/2026)	NT$6,660.00
LianChuang Electronic Technology Co Ltd (002036.SZ)	U (06/12/2024)	Rmb5.83
Lingyi Itech Guangdong Co (002600.SZ)	U (04/23/2025)	Rmb11.42
Lingyi Itech Guangdong Co (1688.HK)	O (08/14/2026)	HK$5.18
Luxshare Precision Industry Co., Ltd. (2475.HK)	O (08/14/2026)	HK$50.80
Luxshare Precision Industry Co., Ltd. (002475.SZ)	O (10/24/2016)	Rmb48.43
OFILM Group Co Ltd (002456.SZ)	U (06/12/2024)	Rmb6.39
Q Technology (Group) Company Ltd (1478.HK)	U (03/23/2026)	HK$4.84
Quectel Wireless Solutions Co Ltd (603236.SS)	E (10/09/2024)	Rmb68.49
Shanghai Conant Optical Co Ltd (2276.HK)	O (04/10/2026)	HK$35.06
Shenzhen Transsion Holdings Co Ltd (688036.SS)	E (03/23/2026)	Rmb46.10
Sunny Optical (2382.HK)	E (03/23/2026)	HK$60.05
Suzhou TFC Optical Communication Co Ltd. (300394.SZ)	E (11/06/2025)	Rmb235.07

Wingtech Technology Co Ltd (600745.SS)	U (05/18/2026)	Rmb16.00
Xiaomi Corp (1810.HK)	O (04/14/2021)	HK$23.66
Yangtze Optical Fibre and Cable JSC Ltd (601869.SS)	U (10/13/2021)	Rmb393.99
Yangtze Optical Fibre and Cable JSC Ltd (6869.HK)	O (07/15/2026)	HK$167.60
Yongxin Optics Co Ltd (603297.SS)	E (11/15/2022)	Rmb101.20
Zhejiang Crystal-Optech Co Ltd (002273.SZ)	O (11/15/2022)	Rmb23.15
Zhongji Innolight Co Ltd (300308.SZ)	O (09/07/2026)	Rmb783.00
Zhongji Innolight Co Ltd (3308.HK)	O (09/07/2026)	HK$999.50
ZTE Corporation (0763.HK)	O (06/04/2026)	HK$20.70
ZTE Corporation (000063.SZ)	E (06/04/2026)	Rmb29.32
Derrick Yang		
Accton Technology Corporation (2345.TW)	O (06/06/2024)	NT$2,070.00
Advantech (2395.TW)	O (01/20/2021)	NT$727.00
AirTAC International (1590.TW)	O (04/16/2025)	NT$1,205.00
Asia Vital Components Co. Ltd. (3017.TW)	O (07/30/2024)	NT$3,440.00
AU Optronics (2409.TW)	E (02/10/2026)	NT$36.60
Auras Technology Co Ltd (3324.TWO)	E (05/04/2023)	NT$1,520.00
Bizlink (3665.TW)	O (03/10/2025)	NT$2,360.00
BOE Technology (000725.SZ)	O (09/06/2019)	Rmb5.50
Chenbro (8210.TW)	O (07/23/2025)	NT$874.00
Chroma Ate Inc. (2360.TW)	O (10/05/2021)	NT$2,330.00
Delta Electronics Inc. (2308.TW)	O (07/13/2017)	NT$1,965.00
E Ink Holdings Inc. (8069.TWO)	E (08/10/2026)	NT$144.00
Ennostar Inc (3714.TW)	U (09/23/2022)	NT$67.00
Fositek Corp (6805.TW)	O (06/25/2025)	NT$2,370.00
Hiwin Technologies Corp. (2049.TW)	O (03/30/2026)	NT$332.50
Innolux (3481.TW)	E (04/07/2025)	NT$51.00
King Slide Works Co. Ltd. (2059.TW)	O (11/08/2023)	NT$10,615.00
Lens Technology (300433.SZ)	E (07/22/2020)	Rmb30.04
Lite-On Technology (2301.TW)	E (01/15/2025)	NT$297.50
TCL Corp. (000100.SZ)	E (04/07/2025)	Rmb4.63
Tianma Microelectronics (000050.SZ)	U (01/24/2018)	Rmb6.18
Wuhan Jingce Electronic Group Co Ltd (300567.SZ)	E (11/26/2021)	Rmb175.19
Howard Kao		
Acer Inc. (2353.TW)	U (04/23/2025)	NT$31.30
Asustek Computer Inc. (2357.TW)	U (11/16/2025)	NT$996.00
Catcher Technology (2474.TW)	U (11/17/2025)	NT$195.50
Compal Electronics (2324.TW)	U (04/23/2025)	NT$35.50
Elite Material Co. (2383.TW)	O (09/14/2026)	NT$6,000.00
FIT Hon Teng Ltd (6088.HK)	O (11/03/2025)	HK$4.67
Foxconn Industrial Internet Co. Ltd. (601138.SS)	O (07/10/2019)	Rmb55.69
Giga-Byte Technology Co. Ltd. (2376.TW)	E (11/16/2025)	NT$363.00
Gold Circuit Electronics Ltd. (2368.TW)	O (10/06/2022)	NT$1,285.00
Hon Hai Precision (2317.TW)	O (03/15/2024)	NT$249.00
Inspur Electronic Information (000977.SZ)	E (08/28/2023)	Rmb64.56
Kingboard Laminates Holdings Ltd. (1888.HK)	O (09/14/2026)	HK$50.15
LandMark Optoelectronics Corporation (3081.TWO)	E (03/26/2026)	NT$2,960.00
Lenovo (0992.HK)	O (07/10/2026)	HK$32.32
Lotes Co. Ltd. (3533.TW)	E (05/12/2025)	NT$1,915.00
Nan Ya PCB (8046.TW)	O (02/23/2026)	NT$1,475.00
Pegatron Corporation (4938.TW)	E (03/25/2026)	NT$89.70
Quanta Computer Inc. (2382.TW)	O (05/01/2023)	NT$325.50
Shengyi Technology Co Ltd. (600183.SS)	E (05/26/2022)	Rmb131.86
Shennan Circuits Co Ltd (002916.SZ)	E (08/24/2023)	Rmb368.02
Unimicron (3037.TW)	O (02/23/2026)	NT$1,270.00

Visual Photonics Epitaxy Co Ltd (2455.TW)	E (09/11/2023)	NT$558.00
Wistron Corporation (3231.TW)	O (07/12/2023)	NT$188.50
Wiwynn Corp (6669.TW)	O (11/10/2025)	NT$2,240.00
Yageo Corp. (2327.TW)	O (10/28/2025)	NT$635.00
Zhen Ding (4958.TW)	++	NT$592.00
Irene Yen		
Co-Tech Development Corp. (8358.TWO)	O (09/14/2026)	NT$535.00
Taiwan Union Technology Corporation (6274.TWO)	O (09/14/2026)	NT$1,740.00

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